



# **Departmental Quarterly Performance Report**

**Department Name:** Performing Arts Center Management Office (PACMO)

**Reporting Period:**  
**FY 2004**  
**First Quarter**

|                                       |               |
|---------------------------------------|---------------|
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# Departmental Quarterly Performance Report

Department Name: PACMO

Reporting Period: FY 2004, 1<sup>st</sup> Quarter

## MAJOR PERFORMANCE INITIATIVES (Describe Key Initiatives and Status) Check all that apply

*The following performance indicators are intended to measure the Project's progress in relation to schedule and budget*

**Goal ED4:** Create a more business-friendly environment in Miami-Dade County

**Goal ED1:** Allocate County Government resources in support of activities that increase and diversify jobs and incomes while eliminating socio-economic disparities in underserved areas

**Outcome ED4-1:** Improved infrastructure and redevelopment to attract businesses to underserved and distressed areas

**Outcome ED1-6:** Greater cultural appeal of Miami-Dade County businesses

Savings on the GMP (\*however, this saving will fluctuate throughout the contract period, actual savings will not be reflected until Substantial Completion)

|              | Amount      |
|--------------|-------------|
| <b>FY 02</b> | \$3,477,655 |
| <b>FY 03</b> | \$129,629   |
| <b>FY 04</b> |             |
| Q1           | (\$18,4820) |
| Total        | \$3,588,802 |

Use of construction manager's contingency

|              | Amount      | \$ 7,000,000  |
|--------------|-------------|---|
| <b>FY 02</b> | \$6,149     | 0.09%   |
| <b>FY 03</b> | \$415,119   | 5.93%   |
| <b>FY 04</b> |             |   |
| Q1           | \$29,875    | 0.43%   |
| Total        | \$451,143   | 6.44%   |
| Balance      | \$6,548,857 | As per a recently passed Contract Amendment (R-445-03), this balance is now assigned to a Temporary Funding Account to fund Disputed Work |
| Elapsed Time |             | 73%   |

Project completed YTD, compared to projected YTD cash flow based on construction budget

| Total Billed to date *   | Projected Cashflow | %   |
|--|--------------------|-----|
| \$94,227,651   | \$141,650,499      | 67% |
| * includes Division 1 (General Conditions, Fee, Contingency, Bonds, Insurance, change orders etc.) |                    |     |

Means the anticipated YTD cash flow was 33% more than what was actually was paid to the Construction Manager (incl. Fee, GC, insurance, change orders, etc)

Overall schedule against Schedule based on Contract time.

|  |            |
|--|------------|
| Contract Planned Schedule  | 1,097 days |
| Delay Days*  | 394 days   |
| Projected Schedule   | 1,491 days |
| Elapsed Time   | 801 days   |
| Percentage of work in place is 40.5% (including Change Orders and Direct Purchases) compared to 73% of time elapsed from the Contract Planned Schedule |            |

This is a preliminary estimate that is under review by PACMO and its consultants. A determination will be made of how much of an 'Extension of Time', if any, will be granted to PACB.

- ☒ Strategic Plan
- ☒ Business Plan
- ☐ Budgeted Priorities
- ☐ Customer Service
- ☐ ECC Project
- ☐ Workforce Dev.
- ☐ Audit Response
- ☐ Other \_\_\_\_\_  
(Describe)

# Departmental Quarterly Performance Report

Department Name: PACMO

Reporting Period: FY 2004, 1<sup>st</sup> Quarter

*The following performance indicators are intended to measure the Project's progress in relation to DBD Initiatives*

**Goal ED4:** Create a more business-friendly environment in Miami-Dade County

**Goal ED1:** Allocate County Government resources in support of activities that increase and diversify jobs and incomes while eliminating socio-economic disparities in underserved areas

**Outcome ED4-1:** Improved infrastructure and redevelopment to attract businesses to underserved and distressed areas

**Outcome ED1-2:** Increased number of county residents with the job skills to achieve economic self-sufficiency

Awarded to local contractors via construction contracts (performance against CSBE requirements of 19.11% of \$217,100,590)

| Reporting Period | Amount        | %      |
|------------------|---------------|--------|
| FY 02            | \$27,559,583  | 12.69% |
| FY 03            | \$2,807,502   | 1.29%  |
| FY 04            |               |        |
| Q1 (see note)    | (\$4,624,992) | -2.13% |
| Total            | (\$4,624,992) | -2.13% |
| Grand Total      | \$25,742,093  | 11.86% |
| GOAL             | \$41,487,922  | 62.05% |

Note: \$4.8 M award to Coreno Inc. was disallowed due to their failure to perform Program Requirements; therefore these dollars are not counted towards the goal of 19.11% because certain CSBE subcontractor dollars were not eligible per Program Requirements.

Awarded to local contractors via construction management contracts (performance against CSBE requirements of 10% of \$37,549,014)

| Reporting Period | Amount      | %      |
|------------------|-------------|--------|
| FY 02            | \$4,568,008 | 12.15% |
| FY 03 (see note) | (\$24,264)  | -0.06% |
| FY 04            |             |        |
| Q1 (see note)    | (\$11,604)  | -0.03% |
| Total            | (\$11,604)  | -0.03% |
| Grand Total      | \$4,532,140 | 12.06% |
| GOAL             | \$3,754,901 | 120.7% |

Note: Not counted towards the goal because certain CSBE subcontractor dollars were not eligible per Program Requirements.

✓ Strategic Plan  
✓ Business Plan  
\_\_\_ Budgeted Priorities  
\_\_\_ Customer Service  
\_\_\_ ECC Project  
\_\_\_ Workforce Dev.  
\_\_\_ Audit Response  
\_\_\_ Other \_\_\_\_\_  
(Describe)

# Departmental Quarterly Performance Report

Department Name: PACMO

Reporting Period: FY 2004, 1<sup>st</sup> Quarter

*The following performance indicators are intended to measure the Project's progress in relation to DBD Initiatives*

**Goal ED4:** Create a more business-friendly environment in Miami-Dade County

**Goal ED1:** Allocate County Government resources in support of activities that increase and diversify jobs and incomes while eliminating socio-economic disparities in underserved areas

**Outcome ED4-1:** Improved infrastructure and redevelopment to attract businesses to underserved and distressed areas

**Outcome ED1-2:** Increased number of county residents with the job skills to achieve economic self-sufficiency

Wages paid via utilization of work-force projected at \$42.0 million

|             | Amount       | %      |
|-------------|--------------|--------|
| FY 02       | \$5,421,929  | 12.91% |
| FY 03       | \$12,141,167 | 28.91% |
| FY 04       |              |        |
| Q1          | \$4,165,040  | 9.92%  |
| Total       | \$4,165,040  | 9.92%  |
| Grand Total | \$21,728,136 | 51.73% |

Actual workforce compared with projected workforce of 200

|   | Number | Amount       |
|---|--------|--------------|
| FY 02   | 143    | \$ 900,927   |
| FY 03   | 55     | \$ 2,087,657 |
| FY 04   |        |              |
| Q1  | 27     | \$ 1,118,637 |
| Total   | 27     | \$ 1,118,637 |
| Grand Total   | 225    | \$ 4,107,221 |
| Note: PACB has exceeded the Contract goal of 200 and is now working towards the Project Goal of 400 |        |              |

✓ Strategic Plan  
✓ Business Plan  
\_\_\_ Budgeted Priorities  
\_\_\_ Customer Service  
\_\_\_ ECC Project  
\_\_\_ Workforce Dev.  
\_\_\_ Audit Response  
\_\_\_ Other  
(Describe)

# Departmental Quarterly Performance Report

Department Name: PACMO

Reporting Period: FY 2004, 1<sup>st</sup> Quarter

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## PERSONNEL SUMMARY

### *A. Filled/Vacancy Report*

| NUMBER<br>OF<br>FULL-TIME<br>POSITIONS* | Filled as of<br>September<br>30 of Prior<br>Year | Current<br>Year<br>Budget | Actual Number of Filled and Vacant positions<br>at the end of each quarter |                  |           |        |           |        |           |        |
|---|--|---------------------------|--|------------------|-----------|--------|-----------|--------|-----------|--------|
|   |  |                           | Quarter 1  |                  | Quarter 2 |        | Quarter 3 |        | Quarter 4 |        |
|   |  |                           | Filled   | Vacant           | Filled    | Vacant | Filled    | Vacant | Filled    | Vacant |
|   | 7  | 8                         | 7 <sup>(1)</sup>   | 2 <sup>(2)</sup> | 0         | 0      | 0         | 0      | 0         | 0      |

\* Public Safety Departments should report the sworn versus non-sworn personnel separately and Departments with significant part-time, temporary or seasonal help should report these separately.

<sup>(1)</sup> PACMO has an overage of one position, transferred from GSA, and is currently, in a position titled Senior Assistant to the Director (approved by ERD and is an overage)

<sup>(2)</sup> PACMO has two budgeted positions vacant, see below

### Notes:

*B. Key Vacancies – Assistant Director and a Senior Project Manager*

*C. Turnover Issues - None*

*D. Skill/Hiring Issues*

*Current salary levels make it difficult to recruit the level of construction professional required for the Project.*

*E. Part-time, Temporary and Seasonal Personnel*

*(Including the number of temporaries long-term with the Department) - None*

*F. Other Issues*

2 out stationed employees not reflected in the above.

1 – DBD- Compliance Specialist 2 – monitors CSBE and CESA Programs

1- DPD-Sr. Procurement Agent-monitors and administers the Direct Purchase Program

# Departmental Quarterly Performance Report

Department Name: PACMO

Reporting Period: FY 2004, 1<sup>st</sup> Quarter

## Financial Summary (All Dollars in Thousands)

|   | All Years                 | All Years                  | Prior Year | FY 03-04   | FY 03-04    |           |              |           |             |             | Comments       |
|---|---------------------------|----------------------------|------------|------------|-------------|-----------|--------------|-----------|-------------|-------------|----------------|
|   | Budget                    | Actual                     | FY 02-03   |            | Quarter 1   |           | Year-to-Date |           |             |             |                |
|   | Multi-Year Capital Budget | Multi-Year Capital Actuals | Actual     |            | Budget **   | Budget*   | Actuals      | Budget*   | Actuals     | \$ Variance |                |
| Revenues  |                           |                            |            |            |             |           |              |           |             |             |                |
| Bond Proceeds                                   | 159,704.99                | 159,704.99                 | 0.00       | 0.00       | 0.00        | 0.00      | 0.00         | 0.00      | 0.00        | 0%          |                |
| Non-Bond Proceeds                               | 122,850.00                | 34,850.00                  | 0.00       | 68,000.00  | 0.00        | 0.00      | 0.00         | 0.00      | 0.00        | 0%          |                |
| Interest Earnings                               | 53,150.08                 | 53,537.18                  | 3,359.69   | 710.00     | 322.52      | 261.59    | 322.52       | 261.59    | (60.94)     | 37%         | <sup>1</sup>   |
| Grants  | 4,025.00                  | 3,275.84                   | 250.32     | 0.00       | 250.00      | 0.518     | 250.00       | 0.518     | (249.48)    | 100%        | <sup>2</sup>   |
| Miscellaneous                                   | 407.94                    | 336.57                     | 24.45      | 26.00      | 6.60        | 9.06      | 6.60         | 9.06      | 2.46        | 35%         |                |
| PAC Operating Subsidy per Bond Docs.            | 4,200.00                  | 1,400.00                   | 1,400.00   | 1,400.00   | 1,400.00    | 0.00      | 1,400.00     | 0.00      | (1,400.00)  | 0%          |                |
| Carryover                                       |                           |                            | 154,610.27 | 96,008.27  | 0.00        | 96,008.27 | 0.00         | 96,008.27 | 96,008.27   | 100%        | <sup>N/A</sup> |
| Total Revenues                                  | 344,338.00                | 253,104.58                 | 159,644.72 | 166,144.27 | 1,979.12    | 96,279.44 | 1,979.12     | 96,279.44 |             |             |                |
| Expenditures                                    |                           |                            |            |            |             |           |              |           |             |             |                |
| Salaries and Fringes (PACMO Administration)     | 8,261.33                  | 5,078.75                   | 1,119.72   | 1,242.00   | 310.50      | 222.19    | 310.50       | 222.19    | (88.31)     | 18%         |                |
| Other Operating Expenses (PACMO Administration) | 1,614.55                  | 1,124.71                   | 319.46     | 257.31     | 64.33       | 60.51     | 64.33        | 60.51     | (3.82)      | 24%         |                |
| Capital (Construction and Project Related)      | 334,462.12                | 168,984.95                 | 62,197.27  | 114,819.69 | 28,704.92   | 18,080.57 | 28,704.92    | 18,080.57 | (10,624.35) | 16%         |                |
| Total Expenditures                              | 344,338.00                | 175,188.41                 | 63,636.45  | 116,319.00 | 29,079.75   | 18,363.26 | 29,079.75    | 18,363.26 |             |             |                |
| Revenues Less Expenditures                      | 0.00                      | 77,916.18                  | 96,008.27  |            | (27,100.63) | 77,916.18 | (27,100.63)  | 77,916.18 |             |             |                |

\*\* Currently, PAC's approved Multi-Year Capital Plan is \$344.338 million; only FY 03-04 Budget is being shown for purposes of this report

### Comments:

\* The quarterly expenditure budget is based on 25% of the annual budget (as required by the Miami-Dade County Charter).

1 - The net impact of lower than projected interest earnings and the construction drawdowns (billings) were lower than budgeted due to the pace of the progress

2- Grants awarded in prior fiscal years but the cash was projected to be drawn down in the first quarter which did not happen

\* Expenditures may be reported by activity as contained in your budget or may be reported by category (personnel, operating and capital).

## Equity in pooled cash (for proprietary funds only)

|  | Prior Year          | Actual               | Annual Total FY '04  | All Years           |
|--|---------------------|----------------------|----------------------|---------------------|
|  | Year End            | Quarter 1            |                      |                     |
| Fund Type/Fund/Subfund/Project               |                     |                      |                      |                     |
| • CB/360/008/368017 (Series '96)             | (\$0.88)            | \$0.00               | \$0.00               | (\$0.88)            |
| • CB/360/008/368018 (Series '96, interest)   | \$0.00              | \$0.00               | \$0.00               | \$0.00              |
| • CB/360/009/368017 (Series '97 B, interest) | \$69,781.99         | (\$20,328.92)        | (\$20,328.92)        | \$49,453.07         |
| • CB/360/009/368020 (Series '97 B, interest) | \$571.84            | (\$571.84)           | (\$571.84)           | \$0.00              |
| • CO/310/317/368017 (Private donations)      | \$16,536.21         | (\$923.54)           | (\$923.54)           | \$15,612.68         |
| • CO/310/318/368017 (Miami Beach)            | \$8,486.97          | \$26.64              | \$26.64              | \$8,513.61          |
| • CO/310/319/368017 (2/3 CDT)                | \$8,338.41          | \$17.26              | \$17.26              | \$8,355.67          |
| • CO/310/320/368017 (PAC Subsidy CDT)        | \$1,400.14          | \$2.90               | \$2.90               | \$1,403.04          |
| • Grants (interest to be returned to State)  |                     |                      | \$0.00               | \$0.00              |
| • CPCU01 - Bridge                            | \$50.44             | (\$50.44)            | (\$50.44)            | \$0.00              |
| • CPCU02 - Gateway Park (Closed)             | \$4.17              | \$0.00               | \$0.00               | \$4.17              |
| • CPCU03 - Sears Demo. (Closed)              | \$0.00              | \$0.00               | \$0.00               | \$0.00              |
| • CPCU04 - Furniture, Fixtures, & Equipment  | \$125.09            | \$0.26               | \$0.26               | \$125.35            |
| • CPCU05 - Theater Rigging                   | \$125.09            | \$0.26               | \$0.26               | \$125.35            |
| <b>Total</b>                                 | <b>\$105,419.49</b> | <b>(\$21,827.43)</b> | <b>(\$21,827.43)</b> | <b>\$83,592.06</b>  |
| <b>GRAND TOTAL</b>                           | <b>\$105,419.49</b> | <b>(\$21,827.43)</b> | <b>(\$21,827.43)</b> | <b>\$83,592.06</b>  |
| <b>PAYABLES</b>                              | <b>(\$9,411.22)</b> | <b>\$3,735.33</b>    | <b>\$3,735.33</b>    | <b>(\$5,675.89)</b> |
| <b>CARRYOVER</b>                             | <b>\$96,008.27</b>  | <b>(\$18,092.10)</b> | <b>(\$18,092.10)</b> | <b>\$77,916.18</b>  |

Equity in Pooled Cash does not include budgeted revenue because funds have not been provided as of this date; such funds include \$20M from the Performing Arts Center Trust, \$68M additional funding from the County; \$2.8M from the PAC Operating Subsidy, etc.

# Departmental Quarterly Performance Report

**Department Name: PACMO**

**Reporting Period: FY 2004, 1<sup>st</sup> Quarter**

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## ***STATEMENT OF PROJECTION AND OUTLOOK***

The project has been under construction for 27 months. While the original schedule anticipated a completion in October 2004, the current projection is for an end of March 2006 completion. The project is currently 40.5% complete according to the latest billings from the Construction Manager. This, we believe, will require a very aggressive construction effort by the builder to meet its current projected schedule.

Over the course of the next year the buildings' stone and metal and glass exterior will be completed, along with the roof and mechanical trades. This will allow for the complete enclosure and "dry-in" of the buildings in anticipation of the construction of the interior trades in the final year.

During the near term the County, through PACMO, will work with Cesar Pelli & Associates, project architect and Performing Arts Center Builders (PACB), construction manager, to resolve issues related to the schedule, construction documents and requests for changes in the work.

From the standpoint of the County's private sector, the Performing Arts Center Trust will begin partnering with other regional and international arts and entertainment groups to begin producing and presenting programs in advance of the opening of the center to the public. It will also begin to produce programs and develop educational programs that build on and expand the existing audiences.

The Performing Arts Center Foundation will continue to pursue private sector donors, including a \$30.0million naming opportunity for the entire center. It continues to represent the interests of the four resident companies, who will perform at the center.

### *Notes and Issues:*

*(Summarize any concern or exception which will prohibit the Department from being within authorized budgeted expenditures and available revenues)*

At this time the Project is estimating to be within the budget for fiscal year 2004 as outlined in the Multi-Year Capital Plan.

However, in order to complete the Project additional funding will be sought. The Project is currently in negotiations with the architect for a pending Amendment and is also holding mediation and dispute resolution proceedings with the Construction Manager. The outcomes of these negotiations and proceedings will determine the amount of additional funds the Project will need in order to complete the Center. The County Manager will seek approval from the Board of County Commissioners for additional funding by the beginning of the 3<sup>rd</sup> Quarter. As stated in PACMO's Business Plan Critical Success Factors for the Project include:

- ✓ Providing funds necessary to complete the project to the standard originally set. This will include providing funding for additional consulting services, adequate staff resources, construction scope increases and delays and to complete un-bought aspects of the project for which the County or the PACT are responsible.
- ✓ Hold PACB to the construction schedule so that it can be a reliable guide as to the completion of construction activities, upon which the private sector partners plan opening season events.

## Departmental Quarterly Performance Report

**Department Name: PACMO**

**Reporting Period: FY 2004, 1<sup>st</sup> Quarter**

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- ✓ Proper implementation of quality control program by the Construction Manager
- ✓ Resolution of cost issues through successful mediation
- ✓ Provision of adequate design resources that will minimize the impact of design document incompleteness.
- ✓ Fulfillment by the PACT and the Foundation of its obligations to the County in terms of fundraising and providing an achievable operating plan and within timetables provided for within the Operating Agreement and Cooperation Agreement governing these entities

Critical to achieving the overall goal of PACMO to successfully complete the construction of the arts center will be a mid-term restructuring of the contractual relationships with the design team and the at-risk construction manager. This is necessary as a result of contractual ambiguities and inconsistencies between the contracts and to clarify certain issues whose interpretation has created conflict between the principal parties.

Pending cost disputes must be resolved and the County must review its budget against the projected needs of the project. Finally the County should not accept a schedule from the Construction Manager that it does not believe is achievable. Instead, the County will work together with the Construction Manager and the Architect to assure that the schedule provided can be met by all parties and that it can be relied on a completion target.

### **DEPARTMENT DIRECTOR REVIEW**

The Department Director has reviewed this report in its entirety and agrees with all information presented including the statement of projection and outlook.

\_\_\_\_\_  
Signature

Gail L. Thompson

Date\_\_\_\_\_